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LAW OFFICES OF THOMAS K. CROWE, P.C.

1250 24th STREET, N.W.
SUITE 300
WASHINGTON, D.C. 20037

TELEPHONE (202) 263-3640
FAX (202) 263-3641
E-MAIL firm@tkcrowe.com

January 24, 2006

BY HAND

Federal Communications Commission
Wireline Competition Bureau -- CPD -- 214 Appls.
P.O. Box 358145
Pittsburgh, PA 15251-5145

Re: Application for Consent to Transfer Control
of Assets of International and Domestic Carrier

Dear Secretary Dortch:

Pursuant to Section 214 of the Communications Act of 1934, as amended, and Section 63.04 of the Commission's rules, please find enclosed an original and five (5) copies of Zone Telecom, Inc.'s Application for Consent to Transfer Control of Assets of Domestic and International Carrier. Also enclosed is a completed FCC Form 159 including credit card payment information.

Please acknowledge receipt of this filing by file-stamping the extra copy of this letter and return it in the prepaid, self-addressed envelope enclosed for that purpose. Should you have any questions regarding this request, please contact the undersigned.

Sincerely,



Thomas K. Crowe
Gregory E. Kunkle,
Counsel for Zone Telecom, Inc.

Enclosure

cc: Renee Crittenden, WCB
Tracy Wilson, WCB

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE

Approved by OMB
3060-0589
Page 1 of 1

(1) LOCK BOX # 358145		SPECIAL USE ONLY	
		FCC USE ONLY	
SECTION A - PAYER INFORMATION			
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) GREGORY E KUNKLE THOMAS K CROWE P.C.		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$895.00	
(4) STREET ADDRESS LINE NO. 1 1250 24TH ST., N.W., SUITE 300			
(5) STREET ADDRESS LINE NO. 2			
(6) CITY WASHINGTON		(7) STATE DC	(8) ZIP CODE 20037
(9) DAYTIME TELEPHONE NUMBER (include area code) (202) 263-3640		(10) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(11) PAYER (FRN) 0003716172		(12) FCC USE ONLY	
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME ZONE TELECOM, INC.			
(14) STREET ADDRESS LINE NO. 1 3 EXECUTIVE CAMPUS, SUITE 520			
(15) STREET ADDRESS LINE NO. 2			
(16) CITY CHERRY HILL		(17) STATE NJ	(18) ZIP CODE 08002
(19) DAYTIME TELEPHONE NUMBER (include area code) (856) 667-2550		(20) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0012808887		(22) FCC USE ONLY	
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE CUT	(25A) QUANTITY 1	
(26A) FEE DUE FOR (PTC) \$895.00	(27A) TOTAL FEE \$895.00	FCC USE ONLY	
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY	
(28B) FCC CODE 1		(29B) FCC CODE 2	
SECTION D - CERTIFICATION			
CERTIFICATION STATEMENT I, <u>Gregory E. Kunkle</u> , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.			
SIGNATURE <u>Gregory E. Kunkle</u>		DATE <u>1/24/06</u>	

Approved by OMB
3060-0686

INTERNATIONAL SECTION 214 AUTHORIZATIONS FOR ASSIGNMENT OR TRANSFER OF CONTROL FCC 214 MAIN FORM FOR OFFICIAL USE ONLY	FCC Use Only
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APPLICANT INFORMATION

Enter a description of this application to identify it on the main menu:

SAM Transfer of Control Application

1. Legal Name of Applicant

Name:	Zone Telecom, Inc.	Phone Number:	856-667-2550
DBA Name:		Fax Number:	856-667-2551
Street:	3 Executive Campus, Ste. 520	E-Mail:	eegan@zonetelecom.com
City:	Cherry Hill	State:	NJ
Country:	USA	Zipcode:	08002 -
Attention:	Eamon Egan		

2. Name of Contact Representative

Name:	Thomas K. Crowe	Phone Number:	202-263-3640
Company:	Law Offices of Thomas K. Crowe, P.C.	Fax Number:	202-263-3641
Street:	1250 24th Street, N.W. Suite 300	E-Mail:	firm@tkcrowe.com
City:	Washington	State:	DC
Country:	USA	Zipcode:	20037-
Attention:	Thomas K. Crowe	Relationship:	Legal Counsel

CLASSIFICATION OF FILING

3. Choose the button next to the classification that best describes this filing. Choose only one.

☐ a. Assignment of Section 214 Authority

An Assignment of an authorization is a transaction in which the authorization, or a portion of it, is assigned from one entity to another. Following an assignment, the authorization will usually be held by an entity other than the one to which it was originally granted. (See Section 63.24(b).)

☒ b. Transfer of Control of Section 214 Authority

A Transfer of Control is a transaction in which the authorization remains held by the same entity, but there is a change in the entity or entities that control the authorization holder. (See Section 63.24(c).)

☐ c. Notification of Pro Forma Assignment of Section 214 Authority (No fee required)

☐ d. Notification of Pro Forma Transfer of Control of Section 214 Authority (No fee required)

Date of Consummation: Must be completed if you select c or d.

4. File Number(s) of Section 214 Authority(ies) for Which You Seek Consent to Assign or Transfer Control.

Note: If the Section 214 Authorization Holder whose authority is being assigned or transferred does not have an "ITC" File No. under which it is operating, contact the Help Desk for assistance before proceeding further with this application. You cannot enter an "ITC-ASG" or "ITC-T/C" File No. in response to this question. Your response must specify one or more "ITC" File Nos. Relevant "ITC-ASG" or "ITC-T/C" File Nos. should be listed only in Attachment 1 in response to Question 10.

File Number: IT C214200202150 0086	File Number:	File Number:	File Number:	File Number:	File Number:	File Number:	File Number:
-------------------------------------------------	---------------------	---------------------	---------------------	---------------------	---------------------	---------------------	---------------------

5. Name of Section 214 Authorization Holder

Name:	Strategic Alliance Management, Inc.	Phone Number:	435-462-7500
DBA Name:		Fax Number:	435-462-7510
Street:	1125 South Blackhawk Blvd 25 NORTH STATE 16	E-Mail:	richb@cut.net
City:	Mt Pleasant	State:	UT
Country:	USA	Zipcode:	84647 -
Attention:	Rich Brotherson		

6. Name of Assignor / Transferor

Name: Strategic Alliance Management,
Inc.

**Phone
Number:** 435-462-7500

DBA Name:

Fax Number: 435-462-7510

Street: 1125 South Blackhawk Blvd
25 NORTH STATE 16

E-Mail: richb@cut.net

City: Mt Pleasant

State: UT

Country: USA

Zipcode: 84647

Attention: Rich Brotherson

7. Name of Assignee / Transferee

Name: Zone Telecom, Inc.

Phone Number: 856-667-2550

DBA Name:

Fax Number: 856-667-2551

Street: 3 Executive Campus, Ste. 520

E-Mail: eegan@zonetelecom.com

City: Cherry Hill

State: NJ

Country: USA

Zipcode: 08002

Attention: Eamon Egan

8a. Is a fee submitted with this application?

- ☒ If Yes, complete and attach FCC Form 159. If No, indicate reason for fee exemption (see 47 C.F.R. Section 1.1114).
- ☐ Governmental Entity ☐ Noncommercial educational licensee ☐ Notification of Pro Forma (No fee required.)
- ☐ Other (please explain):

8b. You must file a separate application for each legal entity that holds one or more Section 214 authorizations to be assigned or transferred.

Fee Classification CUT – Section 214 Authority

9. Description (Summarize the nature of the application.)

(If the complete description does not appear in this box, please go to the end of the form to view it in its entirety.)

Application for Consent to Transfer Control of Assets of International
and Domestic Carrier

10. In Attachment 1, please respond to paragraphs (c) and (d) of Section 63.18 with respect to the assignor/transferor and the assignee/transferee. Label your response "Answer to Question 10".

11. Does any entity, directly or indirectly, own at least ten (10) percent of the equity of the assignee/transferee as determined by successive multiplication in the manner specified in the note to Section 63.18(h) of the rules?

☒ Yes ☐ No

If you answered "Yes" to this question, provide in Attachment 1, the name, address, citizenship, and principal businesses of each person or entity that directly or indirectly owns at least ten (10) percent of the equity of the assignee/transferee, and the percentage of equity owned by each of those persons or entities (to the nearest one percent). Label your response "Answer to Question 11."

12. Does the assignee/transferee have any interlocking directorates with a foreign carrier?

☐ Yes ☒ No

If you answered "Yes" to this question, identify each interlocking officer/director in Attachment 1. (See Section 63.09(g).) Provide the name and position/title of the individual or entity, the name of the foreign carrier, and the country in which the foreign carrier is authorized to operate. Label your response: "Answer to Question 12."

13. Provide in Attachment 1 a narrative of the means by which the proposed assignment or transfer of control will take place. In circumstances of a substantial assignment or transfer of control pursuant to Section 63.24(e), where the assignor seeks authority to assign only a portion of its U.S. international assets and/or customer base, please specify whether the assignor requests authority to continue to operate under any or all of its international Section 214 File Nos. after consummation; and, if so, please specify in Attachment 1 each File No. it seeks to retain in its own name. Label your response "Answer to Question 13."

Note: The assignor may retain any or all of its international Section 214 File Nos. In that case, the assignor will continue to hold the international section 214 authorizations that it specifies in response to this question. The ITC-ASG File No. that the Commission assigns to this application will, when granted, constitute Commission authorization of the proposed assignment of assets and /or customers from the assignor to the assignee. Unless Commission grant of the assignment application specifies otherwise, the assignee may provide the same services on the same routes as permitted under the assignor's Section 214 authorization(s), and the assignee may provide such service to any customers it may obtain in the ordinary course of business.

If this filing is not a notification of a pro forma assignment or pro forma transfer of control, please respond to Questions 14–20 below. (See Section 63.24(d).) Otherwise, you may proceed to Question 21 below.

14. Check "Yes" below if the assignee is a foreign carrier or if, upon consummation of the proposed assignment or transfer of control, the Section 214 holder would be affiliated with a foreign carrier. (See Section 63.18 (i).) The terms "foreign carrier" and "affiliated" are defined in Section 63.09 (d) & (e) of the rules respectively. ☒ Yes ☐ No

If you answered "Yes" to this question, please specify in Attachment 1 each foreign country in which the assignee is a foreign carrier or in which the Section 214 holder, upon consummation, would be affiliated with a foreign carrier. Label your response, "Answer to Question 14."

15. If this application is granted and the proposed assignment or transfer is consummated, would the Section 214 holder be authorized to provide service to any destination country for which any of the following statements is true?

☒ Yes ☐ No

- (1) The Section 214 holder is a foreign carrier in that country; or
- (2) The Section 214 holder controls a foreign carrier in that country; or
- (3) Any entity that owns more than 25 percent of the Section 214 holder, or that controls the Section 214 holder, controls a foreign carrier in that country.
- (4) Two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25 percent of the Section 214 holder and are parties to, or the beneficiaries of, a contractual relation (e.g., a joint venture or market alliance) affecting the provision or marketing of international basic telecommunications services in the United States.

If you answered "Yes" to this question, please specify in Attachment 1 each foreign carrier and country for which any of the above statements would be true. Label your response, "Answer to Question 15."

16. If you answered "Yes" to question 14, do you request classification of the Section 214 holder as a "non-dominant" carrier, upon consummation of the proposed transaction, between the United States and any or all countries listed in response to Question 14? See Section 63.10 of the rules.

☒ Yes ☐ No

If you answered "Yes" to this question, you must provide information in Attachment 1 to demonstrate that the Section 214 holder would qualify for non-dominant classification under Section 63.10 of the rules on each U.S.-destination country route where it would be a foreign carrier, or would be affiliated with a foreign carrier and for which you request non-dominant classification. Label your response, "Answer to Question 16."

17. If you answered "Yes" to question 14 and you have not provided information in response to Question 16 to demonstrate that the Section 214 holder would qualify for non-dominant classification under Section 63.10 of the rules on each U.S.-destination route where it would be a foreign carrier, or be affiliated with a foreign carrier, check "Yes" below to certify that the assignee/transferee agrees to comply with the dominant carrier safeguards in Section 63.10 (c) & (e) of the rules in the provision of international service between the United States and any foreign country(ies) for which you have not provided the required information.

☐ Yes, I certify that I agree to comply with the dominant carrier safeguards in Section 63.10 (c) & (e) of the rules in my provision of international service between the United States and the following foreign country(ies):

☐ No, Does not apply.

18. If you answered "Yes" to question 15, and if you have not provided information in response to question 16 to demonstrate that the Section 214 holder would qualify for non-dominant classification under Section 63.10 of the rules in its provision of service to each of the countries identified in response to question 15, the Section 214 holder may not be eligible to provide international telecommunications service between the U.S. and each such country following consummation of the assignment or transfer. In order to determine whether the public interest would be served by authorizing service on these U.S.-destination country routes, the assignee/transferee must provide information, in Attachment 1, to satisfy one of the showings specified in Section 63.18(k) of the rules. Label your response, "Answer to Question 18."

19. If the assignee, or the Section 214 holder that is the subject of this transfer of control application, is a provider of Commercial Mobile Radio Services, you need not answer this question.

If any of the Section 214 authorization(s) that would be assigned or transferred, authorize the Section 214 holder to resell the international switched services of an unaffiliated U.S. carrier for the purpose of providing international telecommunications services to a country listed in response to question 14, and unless you have provided information in response to question 16 to demonstrate that the Section 214 holder would qualify for non-dominant classification under Section 63.10(a)(3) of the rules for each country, check "Yes" below to certify that the assignee/transferee will file the quarterly traffic reports required by Section 43.61(c) of the rules; and/or state in Attachment 1 that the foreign carrier(s) for which the applicant has not made a showing under Section 63.10(c)(3) do(es) not collect settlement payments from U.S. international carriers. (See Section 63.18(l).)

☐ Yes, I certify that I agree to comply with the quarterly traffic reporting requirements set forth in section 43.61(c) of the rules.

20. If the applicant desires streamlined processing pursuant to Section 63.12 of the rules, provide in Attachment 1 a statement of how the application qualifies for streamlined processing. (See Section 63.18(p).) Note that, if the application is being filed in connection with a sale of assets or reorganization of a carrier or its parent pursuant to the U.S. bankruptcy laws, the application may not be eligible for streamlined processing until final bankruptcy court approval of the proposed sale or reorganization.

Applicant certifies that its responses to questions 21 through 25 are true:

21. The assignee/transferee certifies that it has not agreed to accept special concessions directly or indirectly from a foreign carrier with respect to any U.S. international route where the foreign carrier possesses sufficient market power on the foreign end of the route to affect competition adversely in the U.S. market and will not enter into any such agreements in the future. ☒ Yes ☐ No

22. By signing this application, the undersigned certify either (1) that the authorization(s) will not be assigned or that control of the authorization(s) will not be transferred until the consent of the Federal Communications Commission has been given, or (2) that prior Commission consent is not required because the transaction is subject to the notification procedures for pro forma transactions under Section 63.24 of the rules. The assignee/transferee also acknowledges that the Commission must be notified by letter within 30 days of a consummation or of a decision not to consummate. (See Section 63.24(e)(4).) ☒ Yes ☐ No

23. If this filing is a notification of a pro forma assignment or transfer of control, the undersigned certify that the assignment or transfer of control was pro forma and that, together with all previous pro forma transactions, does not result in a change in the actual controlling party. ☐ Yes ☐ No
☒ Not a Pro Forma

24. The undersigned certify that all statements made in this application and in the exhibits, attachments, or documents incorporated by reference are material, are part of this application, and are true, complete, correct, and made in good faith.	<input checked="" type="radio"/> Yes <input type="radio"/> No
25. The assignee/transferee certifies that neither it nor any other party to the application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862, because of a conviction for possession or distribution of a controlled substance. See Section 1.2002(b) of the rules, 47 CFR § 1.2002(b), for the definition of "party to the application" as used in this certification.	<input checked="" type="radio"/> Yes <input type="radio"/> No

CERTIFICATION

26. Printed Name of Assignor / Transferor Michael S. Ricks	29. Printed Name of Assignee / Transferee Eamon P. M. Egan
27. Title (Office Held by Person Signing) President	30. Title (Office Held by Person Signing) Vice President, Director
28. Signature (Enter the name of the person who will sign the paper version of this form for retention in their files) Michael S. Ricks	31. Signature (Enter the name of the person who will sign the paper version of this form for retention in their files) Eamon P. M. Egan
<p align="center">WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND / OR IMPRISONMENT (U.S. Code, Title 18, Section 1001), AND/OR REVOCATION OF ANY STATION AUTHORIZATION (U.S. Code, Title 47, Section 312(a)(1)), AND/OR FORFEITURE (U.S. Code, Title 47, Section 503).</p>	

FCC NOTICE REQUIRED BY THE PAPERWORK REDUCTION ACT

The public reporting for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the required data, and completing and reviewing the collection of information. If you have any comments on this burden estimate, or how we can improve the collection and reduce the burden it causes you, please write to the Federal Communications Commission, AMD-PERF, Paperwork Reduction Project (3060-0686), Washington, DC 20554. We will also accept your comments regarding the Paperwork Reduction Act aspects of this collection via the Internet if you send them to Judith-B.Herman@fcc.gov. PLEASE DO NOT SEND COMPLETED FORMS TO THIS ADDRESS.

Remember – You are not required to respond to a collection of information sponsored by the Federal government, and the government may not conduct or sponsor this collection, unless it displays a currently valid OMB control number or if we fail to provide you with this notice. This collection has been assigned an OMB control number of 3060-0686.

THE FOREGOING NOTICE IS REQUIRED BY THE PAPERWORK REDUCTION ACT OF 1995, PUBLIC LAW 104-13, OCTOBER 1, 1995, 44 U.S.C. SECTION 3507.

Zone Telecom, Inc.
January 23, 2006

Answer to Question 10

Please direct all questions regarding any party to the instant notification to:

For Zone Telecom, Inc.:

Gregory E. Kunkle
Legal Counsel
Law Offices of Thomas K. Crowe, P.C.
1250 24th St., N.W.
Suite 300
Washington, D.C. 20037
Phone: 202-263-3640

For Strategic Alliance Management, Inc.:

Law Offices of Blackburn Stoll LC
257 East 200 South, Suite 800
Salt Lake City, UT 84111
Attn: Stan Stoll, Attorney
Phone: 801-521-7900

Zone Telecom, Inc. was granted authority to operate as a facilities-based carrier in accordance with the provisions of Section 63.18(e)(1) of the rules and also to provide service in accordance with the provisions of Section 63.18(e)(2) of the rules on August 11, 2000 (File No. ITC-214-20000717-00403).

Strategic Alliance Management, Inc. was granted authority to operate as a facilities-based carrier in accordance with the provisions of Section 63.18(e)(1) of the rules and also to provide service in accordance with the provisions of Section 63.18(e)(2) of the rules on May 17, 2002 (File No. ITC-214-20020215-00086).

Answer to Question 11

1. Ownership is Zone Telecom, Inc.

The following individuals or entities currently hold a ten percent (10%) or greater ownership interest in Zone Telecom, Inc.:

<u>Name/Address</u>	<u>% of Shares</u>	<u>Citizenship/ Country of Incorporation</u>	<u>Principal Occupation/ Business</u>
ZONE Global Limited c/o 3705 Gloucester Tower The Landmark 11 Pedder Street Central, Hong Kong	100%	British Virgin Islands	Holding Company

The following individuals or entities currently hold a ten percent (10%) or greater ownership interest in ZONE Global Limited:

<u>Name/Address</u>	<u>% of Shares</u>	<u>Citizenship/ Country of Incorporation</u>	<u>Principal Occupation/ Business</u>
Cyberman Limited c/o 3705 Gloucester Tower The Landmark 11 Pedder Street Central, Hong Kong	100%	British Virgin Islands	Holding Company

The following individuals or entities currently hold a ten percent (10%) or greater ownership interest in Cyberman Limited:

<u>Name/Address</u>	<u>% of Shares</u>	<u>Citizenship/ Country of Incorporation</u>	<u>Principal Occupation/ Business</u>
e-Kong Pillars Holdings Limited	100%	British Virgin Islands	Holding Company

c/o
3705 Gloucester Tower
The Landmark
11 Pedder Street
Central, Hong Kong

The following individuals or entities currently hold a ten percent (10%) or greater ownership interest in e-Kong Pillars Holdings Limited:

<u>Name/Address</u>	<u>% of Shares</u>	<u>Citizenship/ Country of Incorporation</u>	<u>Principal Occupation/ Business</u>
e-Kong Group Limited c/o 3705 Gloucester Tower The Landmark 11 Pedder Street Central, Hong Kong	100%	Bermuda	Holding Company

2. Ownership in Central Utah Communications Leasing, LC.

The following individuals or entities currently hold a ten percent (10%) or greater ownership interest in Central Utah Communications Leasing, LC:

<u>Name/Address</u>	<u>% of Shares</u>	<u>Citizenship/ Country of Incorporation</u>	<u>Principal Occupation/ Business</u>
Dale H. Lewis PO Box 316 Spring City, UT 84662	58%	U.S.	Telecommunications Manager
Karen H. Lewis PO Box 316 Spring City, UT 84662	42%	U.S.	Homemaker

Answer to Question 13

By the instant application, Zone USA, Inc. (d/b/a Zone Telecom, Inc.) ("Zone Telecom, Inc."), a Delaware corporation and 214 authorized carrier, requests Commission approval to acquire control of certain assets of Central Utah Communications Leasing, LC ("CUCL"), a Utah company and 214 authorized carrier.

CUCL, which was granted 214 authority under Section 63.18(e)(2) of the Commission's rules on April 30, 1997 (File No. ITC-214-20020215-00086) operates in conjunction with certain affiliates (together "WRLD"), including Strategic Alliance Management, Inc. ("SAM"), to provide wholesale resold international and domestic telecommunications service under the "WRLD" brand. On January 16, 2006, Zone Telecom, Inc. and WRLD entered into an Asset Purchase and Sale Agreement ("Agreement") whereby Zone Telecom, Inc. agreed to purchase, and WRLD agreed to sell, the assets used in the provision of such wholesale service, including all wholesale customer accounts and all underlying carrier contracts held by CUCL. Under the Agreement, Commission approval must occur prior to consummation of the transaction.

As Zone Telecom, Inc. is authorized to provide service under Section 63.18(e)(1) and Section 63.18(e)(2) of the Commission's rules (granted August 11, 2000 in File No. ITC-214-20000717-00403), the parties do not request assignment or transfer of control of CUCL's 214 authority. CUCL requests authority to continue to operate under its international Section 214 authority granted in File No. ITC-214-20020215-00086 after consummation.

As only wholesale services are at issue, no end user customers will be transferred under the transaction contemplated in the Agreement. Please note that a separate application is being filed to request authority to transfer certain assets from SAM to Zone Telecom, Inc. in connection with the transaction described herein.

Answer to Question 14

Zone Telecom, Inc. is affiliated with foreign carriers in Hong Kong and Singapore.

Answer to Question 15

Two affiliates of Zone Telecom, Inc. are foreign carriers in a destination country to which Zone Telecom, Inc. is authorized to provide service. This status will not change after grant of the application. The foreign carriers are:

ZONE Limited (Hong Kong)
ZONE Telecom Pte Ltd. (Singapore)

Answer to Question 16

Zone Telecom, Inc. request classification as “non-dominant” between the U.S. and Hong Kong and between the U.S. and Singapore. Zone Telecom, Inc. is not affiliated with a monopoly provider of communications services in any of the markets identified in response to Questions 14 and 15 (or any other market). Neither ZONE Limited nor ZONE Telecom Pte Ltd. controls 50 percent market share in the international transport and the local access markets on the foreign end of the applicable U.S.-international route. *See* 47 C.F.R. § 63.10(a)(3). ZONE Telecom Pte Ltd. holds a “Service-Based” license to provide service in Singapore (as opposed to a “Facilities-Based” license) while ZONE Limited holds a Public Non-Exclusive Telecommunications Service License to provide service in Hong Kong. In addition, although not dispositive of the issue, Zone Telecom, Inc. believes it to be further illustrative that Pacific Century CyberWorks HKT (Hong Kong) and Singapore Telecom (Singapore), carriers unaffiliated with Zone Telecom, Inc., are currently presumed by the Commission to possess market power in their respective foreign markets. *See* The International Bureau Revises and Reissues the Commission’s List of Foreign Telecommunications Carriers that Are Presumed to Possess Market Power in Foreign Telecommunications Markets, *Public Notice*, DA 04-1584, May 28, 2004.

In addition, Zone Telecom, Inc. provides international service to Hong Kong and Singapore solely through the resale of an unaffiliated U.S. facilities-based carrier's international switched services. *See* 47 C.F.R. § 63.10(a)(4).

Answer to Question 20

Zone Telecom, Inc. requests streamlined processing of the application. Zone Telecom, Inc. qualifies for streamlined processing as it qualifies for a presumption of non-dominance under Section 63.10(a)(3) of the Commission’s rules as detailed in the Answer to Questions 16, *supra*. *See* 47 C.F.R. § 63.12(c)(1)(ii). In addition, Zone Telecom, Inc. qualifies for streamlined

processing as both Hong Kong and Singapore are WTO Member countries and Zone Telecom, Inc. qualifies for a presumption of non-dominance under Section 63.10(a)(4) of the Commission's rules as detailed in the Answer to Questions 16, *supra*. See 47 C.F.R. § 63.12(c)(1)(iv).

DOMESTIC SUPPLEMENT TO
APPLICATION FOR CONSENT TO TRANSFER CONTROL
OF ASSETS OF INTERNATIONAL AND DOMESTIC CARRIER

Pursuant to 47 C.F.R. § 63.04 (b) (2005), the following information is supplied in connection with the attached Application for Consent to Transfer Control of Assets of International and Domestic Carrier and, together with the information contained therein, is intended to fulfill the requirements for application to transfer of control of assets of a domestic carrier.

(6) Description of the transaction:

By the instant application, Zone USA, Inc. (d/b/a Zone Telecom, Inc.) ("Zone Telecom, Inc."), a Delaware corporation and 214 authorized carrier, requests Commission approval to acquire control of certain assets of Strategic Alliance Management, Inc. ("SAM"), a Nevada corporation and 214 authorized carrier.

SAM operates in conjunction with certain affiliates (together "WRLD"), including Central Utah Communications Leasing, LC ("CUCL"), to provide wholesale resold international and domestic telecommunications service under the "WRLD" brand. On January 16, 2006, Zone Telecom, Inc., WRLD and certain other companies entered into an Asset Purchase and Sale Agreement ("Agreement") whereby Zone Telecom, Inc. agreed to purchase, and WRLD agreed to sell, the assets used in the provision of such wholesale service, including all underlying carrier accounts and all wholesale customer accounts. Under the Agreement, Commission approval must occur prior to consummation of the transaction.

(7) A description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area:

SAM provides wholesale interexchange service throughout the U.S. Zone Telecom, Inc. provides wholesale and retail interexchange service throughout the U.S. Neither company provides switched local exchange service.

(8) A statement as to how the application fits into one or more of the presumptive streamlined categories in section 63.03 or why it is otherwise appropriate for streamlined treatment:

Since Zone Telecom, Inc., as transferee, ultimately stands to gain less than a 10 percent market share in the interstate, interexchange market, provides services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to this transaction and neither Zone Telecom, Inc. nor SAM is dominant with respect to any service, this application is appropriate for streamlined treatment pursuant to 47 C.F.R. § 63.03 (b)(2).

(9) Identification of all other Commission applications related to the same transaction:

The attached Application for Consent to Transfer Control of Assets of International and Domestic Carrier has been submitted in connection with this application. In addition, an application for transfer of control has been submitted with respect to the transaction as it relates to CUCL.

(10) A statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure:

Not applicable.

(11) Identification of any separately filed waiver requests being sought in conjunction with the transaction:

Not applicable.

(12) A statement showing how grant of the application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets:

Consummation of the proposed transaction will serve the public interest in promoting competition in the international and domestic telecommunications market by providing Zone Telecom, Inc. the opportunity to strengthen its competitive position by combining SAM's resources with Zone Telecom, Inc.'s services, products and expertise. Zone Telecom, Inc.'s operations will more readily increase in size and profitability, due to enhanced economies of scale. Accordingly, the proposed acquisition will benefit consumers through improved services and lower rates, thereby promoting competition in the international and domestic telecommunications market.

Given the Commission's desire to foster competition in the international and domestic telecommunications services market, grant of the proposed transaction is in the public interest.